

### **Surfacing Tacit Sources of Success**

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Eliciting and transferring tacit knowledge is critical for the growth ambitions of small knowledge-intensive firms such as management consultancies because their work is often intangible and ambiguous. How this can be done presents a challenge as there are as yet no tools available to help them. This article explains how the use of causal mapping helped the partners of one consultancy firm to surface their tacit knowledge, to uncover what they should try to replicate within the organization to sustain their success, and to refine their *raison d'être*. Through the mapping process, which is interactive, non-directive, and generates ownership of the outcomes, the partners were encouraged to tap into their ambiguous, tacit knowledge base, which constitutes a large part of their consultancy's success. The article contributes to our understanding of small business management practice, tacit knowledge and consulting interventions.

Keywords: organizational success: small business; tacit knowledge

Knowledge and knowledge management, the processes of creating and exploiting knowledge, have received a good deal of attention in the academic and business literature (Jones and Craven, 2001; Newell et al., 2002; Petersen and Poulsen, 2002). Knowledge is argued to be critical to a firm's capacity to generate and sustain competitive

advantage (Grant, 1996; Nonaka, 1991) but one issue that faces organizations is how to capture tacit knowledge. Despite its key role in organization performance, the management of tacit knowledge is still challenging to organizations and to management consultancies that address this aspect of firm strategy.

Tacit knowledge is difficult to express, to describe and to transfer. It is because it generates causal ambiguity, and because it is practical and context specific (Nonaka, 1991; Polanyi, 1962) that it has been argued to be a source of competitive advantage. It possesses all the requirements that a resource needs to be a source of sustainable competitive advantage, according to proponents of the resource-based view of the firm (Barney, 1991): it is valuable, rare, imperfectly imitable and imperfectly substitutable.

Eliciting such knowledge may be critical to sustaining competitive advantage, and to growing the firm. This is particularly relevant to knowledge-intensive firms, because these firms do not rely on physical capital for competitive advantage; they rely on human capital. They 'tend to be service-based organizations often competing in their respective sectors based on their ability to solve complex problems and provide solutions for clients' (Newell et al., 2002: 24). Public relations agencies or management consultancies are such firms; their work is inherently intangible and a large part of their knowledge is not codified (Clark, 1995) and is difficult to access. This means that while 'consulting firms have recognised the need to develop systems for collecting, storing and making knowledge about their experience accessible to consultants' (Olivera, 2000: 818), doing so has not been straightforward. How codifiable knowledge can be stored, using databases, intranets, emails, etc. and used as required is well understood, but the management of tacit knowledge presents different challenges.

Managing knowledge is also particularly critical to small businesses. How to grow is a key challenge for them (LeBrasseur et al., 2003) and managing knowledge and capability is one driver of growth. It is likely that many of the large range of competencies that managers of small firms have to be able to perform their role are tacit, in comparison to managers in large organizations (Sadler-Smith et al., 2003). They are too busy to 'sit back' and transfer their knowledge and most of their competencies are likely to have been acquired 'on the job' and are performed intuitively. They know what they are doing and unless pressed they have no need to make their knowledge explicit to allow others to take over some of these responsibilities. This is problematic for small businesses as it suggests that development may be difficult as the sources of advantage may be not well understood, and should, for instance, a key member of the organization leave or the team change the source of advantage may be vulnerable. The knowledge may 'walk away'.

Here, we report on a case study that illustrates how causal mapping helped the partners of one small organization, a management consultancy, to surface tacit knowledge and to refine their *raison d'être*. Through the mapping process, the partners were encouraged to tap into their tacit knowledge base, which constituted a large part of their *modus operandi* (Clark, 1995). Our research approach is qualitative, and case study based, an approach that is gaining more acceptance within the small business area (Mottiar and Ingle, 2007; Perren and Ram, 2004).

The first sections of the article relate to tacit knowledge. We examine the concept and explain how it informed our study. This is essential as 'knowledge is a slippery and elusive concept, and every discipline has its own realisation of it' (Scarborough and Burrell, 1996: 178). Then we describe how we investigated tacit knowledge within the firm (disguised as Kappa), and how an intervention using causal

mapping is of an interactive nature (Sturdy, 1997) because it allowed Kappa's partners to play an active role in the research process. We worked within the framework of the resource-based view as it emphasizes the critical role of knowledge in generating advantage, and we took a strategy-as-practice approach (Whittington, 2003), i.e. a micro-level approach to understanding firm performance (Felin and Foss, 2005). The method of intervention having been established, we then move on to the outcomes, and explain the benefits of such an intervention. We then explain how this study contributes to our understanding of small business management practices, tacit knowledge and consulting processes.

## **Investigating Tacit Knowledge**

### **Tacit knowledge**

As mentioned in the introduction, knowledge is a phenomenon that is widely discussed in the management literature.<sup>1</sup> tacit knowledge in particular has received a great deal of attention as it is suggested that it can be a source of sustainable competitive advantage. Before exploring why such an argument can be made we need to explain tacit knowledge.

The customary way of defining tacit knowledge is to compare it to objective knowledge, which is also referred to as articulated knowledge (Hedlund, 1994), articulable knowledge (Winter, 1987), explicit knowledge (Nonaka, 1991), verbal knowledge (Corsini, 1987) or declarative knowledge (Kogut and Zander, 1992). This knowledge can 'be communicated from its possessor to another person in symbolic form and the recipient of the communication becomes as much "in the know" as the originator' (Winter, 1987: 171). This suggests that the concept of objective knowledge can be decomposed into two elements. The first element is about the communicability of objective knowledge: it can be readily 'written down, encoded, explained, or

understood' (Sobol and Lei, 1994: 170). The second element concerns the possession of objective knowledge. Sobol and Lei (1994: 170) argue that 'such knowledge is not specific or idiosyncratic to the firm or person possessing it'. This knowledge can be shared. Defining objective knowledge is a way of highlighting what tacit knowledge is not. In what follows, we concentrate on tacit knowledge.

Most contributions to tacit knowledge refer to Polanyi (1962, 1966, 1976). Polanyi (1966: 4) describes tacit knowledge as follows: 'I shall reconsider human knowledge by starting from the fact that we can know more than we can tell' or we have a 'power to know more than we can tell' (Polanyi, 1976: 336). Typically tacit knowledge is difficult to write down, to formalize (Nonaka, 1991). People that possess tacit knowledge cannot readily explain the decision rules that underlie their performance (Polanyi, 1962).

Another characteristic of tacit knowledge is that it is personal knowledge. Tacit knowledge consists of mental models that individuals follow in certain situations (Nonaka, 1991; Sternberg, 1994). These are deeply embedded in the individuals and tend to be taken for granted. Ravetz (1971) suggests that tacit knowledge becomes so embedded in the individual that it seems entirely natural and as a result it cannot be expressed; the knowledge is attached to the knower.

Another feature is that it is practical and typically describes a process. In this respect, it is similar to know-how (Kogut and Zander, 1992; Nonaka, 1991). Nonaka (1991: 98) argues that know-how may be used as a synonym for tacit knowledge because 'tacit knowledge consists partly of technical skills - the kind of informal, hard-to-pin down skills captured in the term "know-how"'.

Finally tacit knowledge is context specific. It 'is a knowledge typically acquired on the job or in the situation where it is used' (Sternberg,

1994: 28), or as Nonaka (1991: 98) puts it 'tacit knowledge is ... deeply rooted in action and in an individual's commitment to a specific context - a craft or a profession, a particular technology or product market, or the activities of a work group or team'.

The characteristics described explain why tacit knowledge can be argued to be a source of sustainable competitive advantage by the proponents of the resource-based view: it is unique, imperfectly mobile, imperfectly imitable and non-substitutable. Tacit knowledge is taken for granted and 'it becomes difficult for outsiders to imitate or copy' (Sobol and Lei, 1994: 171). Tacit knowledge cannot quickly migrate, i.e. it cannot easily be transposed to other firms, because the knowledge depends upon specific relationships (between colleagues, customers, systems, etc.) and because 'unlike knowledge of a computer code or a chemical formula, it cannot be clearly and completely communicated to someone else through words or other symbols' (Badaracco, 1991: 82). Tacitness also generates ambiguity because managers may be unaware of the role of tacit knowledge as a source of competitive advantage. In other words, the relation between actions and results is causally ambiguous (Lippman and Rumelt, 1982; Reed and DeFillippi, 1990).

Tacit knowledge is clearly of interest in the resource-based literature, but this phenomenon has also been explored by other disciplines. Tacit knowledge has been explored within evolutionary economics (Nelson and Winter, 1982), the organizational culture literature (Schein, 1985, 1992), the occupational psychology field (Sternberg, 1995; Wagner and Sternberg, 1991) and the cognitive psychology literature (Eysenck and Keane, 1994). Each field to a great extent conceives tacit knowledge in the same way. They refer to Polanyi, and argue that tacit knowledge is taken for granted, is rooted in action, is context specific, is difficult to express, generates causal ambiguity and is awkward to research.

In view of those characteristics one can understand why it can be suggested that knowledge management tools or systems that are not sophisticated enough to allow for the capture of highly conceptualized knowledge, have been of little use to knowledge-intensive firms, whose work is mainly based on non-codified knowledge (Clark, 1995; Ram, 1999).

### **Eliciting tacit knowledge**

Our chosen method for surfacing tacit knowledge was causal mapping (Eden and Ackermann, 1998). There is no agreed and established method for eliciting tacit knowledge. In view of the features of tacit knowledge and particularly its intangibility, quantitative research instruments or structured interviews are likely to be inappropriate, insofar as individuals cannot be expected to be able to readily articulate their tacit knowledge. We used an interactive causal mapping approach because it provides a way of representing complex and rich data by 'pulling a "mess" into a system of interacting issues' (Eden and Ackermann, 1998: 285) and allows us to focus on action (Huff, 1990). It also allows for a detailed understanding of a situation, and it is helpful in disentangling what is happening in real setting.

Weick and Bougon (1986: 106) describe a causal map as a 'map that incorporates concepts tied together by causality relations'. A causal map is a graphic representation that consists of nodes and arrows linking them (Laukkanen, 1994). The nodes that the individual describes are the individual's salient constructs and the arrows show the relationships between the constructs.

The process is powerful in revealing tacit knowledge because it involves continuously asking the respondents to reflect on their behaviours and their know-how. They would ordinarily not do so. During the mapping, they are pressed to explain what they do and in

that process they reveal to themselves aspects of their behaviour that up to that point was tacit, behaviour that they had never previously described.

Throughout the mapping participants are encouraged to give examples, to use metaphors and tell stories as these methods have been argued as being helpful in assisting the articulation of previously tacit activities (Hansen and Kahnweiler, 1993). Causal mapping also works through the process of spreading activation (Daniels et al., 1995). As items emerge, they jog memories and surface events, stories, and feelings that participants would have been previously unable to recall. It is important to point out here that, similarly to Ambrosini and Bowman (2001) we took the position that the definition of 'tacit' may encompass different degrees of tacitness. In between the extremes of explicit knowledge held consciously and tacit knowledge held unconsciously and hence almost inaccessible, there are at least two other degrees of tacitness: (1) tacit knowledge that is unarticulated but that could be if individuals were simply asked the question: how do you do that? here, knowledge is tacit simply because nobody has asked the right question, people never deliberately or knowingly thought of what they were doing, and nobody else ever asked them either; (2) tacit knowledge that cannot be expressed through the normal use of words; that is it can only be accessed imperfectly, possibly through the use of metaphors and storytelling.

To surface valuable tacit knowledge the mapping session starts with a concept of 'success', and the question 'what causes success in your organization?' is posed. As there is no accepted measure of sustainable competitive advantage (Powell, 2001), and as business success for a small business owner-manager (Chell, 2001) and knowledge-intensive firms (Alvesson, 2001) is difficult to define we opted to use a subjective proxy 'measure' of advantage in the form of the managers' judgements of their firm's success. The three partners in Kappa saw

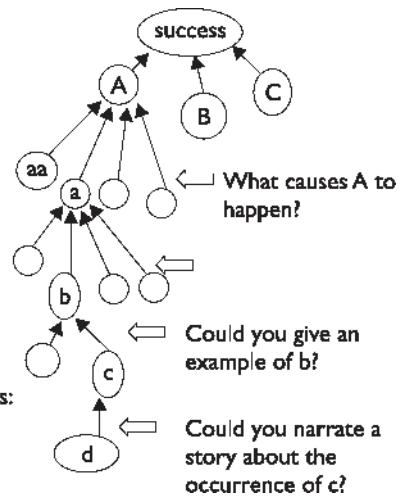


their business as being successful not only because it was profitable and allowed them to have the lifestyle they wanted, but also because they had, among their clients, 'blue chip' companies and they had a pipeline of contracts. They also were successful on a personal level as they were doing what they enjoyed, elements that are core to most small business owners (Gray, 1998).

Once a few causes for success are elicited, the mapping can start in earnest and the participants can begin unpacking the components of their firm's success. Questions that helped the participants were: How does that happen? What causes that to happen? Who is involved? What influences that? By answering the questions the participants can start eliciting more precise reasons for success. This is a digging process. By removing layer after layer of the reasons for success participants get to the less explicit causes. They can uncover causes they could not have readily surfaced without prompting and probing. Our method is summarized in Figure 1.

This approach is also particularly useful as 'in small business research ... it may be the only way of obtaining information from the key decision makers, given their noted reluctance to complete questionnaires' (Bell et al., 2004: 30). Obviously, such an approach has drawbacks, notably in terms of empirical generalization (to the population), but to isolate idiosyncratic resources one needs a fine-grained analysis (Collis, 1991). Empirical generalization was not an aim; we sought rich and meaningful data from Kappa. However, this concern with detail in one specific case means that we can aim for analytical generalization (Yin, 1994). As we will develop it in the later section entitled 'causal mapping as a management consultancy intervention tool' the overall investigative process has generalizable applicability, and provides a framework that could be used and developed by others.

1. Introduction to the causal mapping session (process and content)
2. Begin the map with success and ask the general question: what causes success? (A, B, C)
3. Continue the mapping process with questions such as: What causes that? How does it happen?
4. If the flow of constructs stops, ask questions such as: Could you give an example of how that happened? Could you tell a story?



*Figure 1. Researching tacit knowledge as a component in managers' accounts of their firm's success: summary of the research method*

*Source: Adapted from Journal of Management Studies 38 (6): 823.*

Before proceeding further on to the specificity of the intervention at Kappa, we need to acknowledge that causal maps are diagrams and hence are similar to mind maps or any other diagramming tools, such as impact wheels (for a review, see Coyle, 2004). All these tools help make sense of the workings of a situation and help understand relationships in complex environments. They help in unravelling the context. Mind maps are widely used to find out factors in a problem (Buzan, 1993) and impact wheels are used to show the interaction effects between variables (Glenn, 2003). Another technique that shares similarities is laddering, based on Kelly's (1955) personal construct theory. It is a method often used to surface the 'higher level abstractions of the constructs that people use to organise their world' (Bourne and Jenkins, 2005: 2). The laddering technique reveals a hierarchy of constructs and is concerned with evaluative judgements.

We chose causal mapping as we explained earlier because maps are a way of ordering and analysing something that is 'fuzzy', but without

establishing a hierarchy as per the laddering method. They also establish relationships between factors and show causal loops without having to make evaluations of the various components surfaced. Creating the map fosters shared understanding and it should provide insights into what is happening in the organization. As the description of mapping within Kappa will show, causal mapping as we implemented it forced the respondents to deal with specifics and it helped reveal the key success factors for Kappa. It also showed the uniqueness of the organization and how context specific, inter-linked and difficult to understand the success factors were.

Of course causal mapping is not without difficulties. The maps that are built are complex, there are a lot of interrelationships and so it is difficult to focus, and to find which connections really matter. It is also possible to get bogged down in the detail. Finally one cannot pretend that maps prove conclusively that a particular factor causes success. One can only suggest that a factor is a component of success. In the same vein the maps are not exhaustive, only part of what is happening can be unravelled and hence only some elements of what cause success can be argued to have been elicited.

Causal mapping does address the notion of causality. As mentioned we recognize that the organization under study is complex, and hence that there is not a simple linear relationship of causation. The question is how far can a causal relationship be established? Lofland and Lofland (1995: 136) argue that 'qualitative studies are not designed to provide definitive answers to causal questions'; 'you will not acquire measured and controlled variations in dependent and independent variables and you will, therefore, not have the systematic quantitative data necessary to determine causation' (Lofland and Lofland, 1995: 138). However, they do acknowledge that '... under many circumstances of limited time, money, and topic importance, the causal theories that the qualitative analyst presents may be

sufficient to the task' (Lofland and Lofland, 1995: 139). Miles and Huberman (1994) take a quite different position and argue that qualitative research is a very powerful method for assessing causality. Their assumptions about the nature of causality are that: there is a temporal element with previous and subsequent events connected; causality is local, in a particular setting and at a particular time; determination of causality cannot be precisely rule bound, and, causes are multiple and conjectural and must be seen as configured in networks, and relationships among variables must be seen. One key element that is worth restating is that here we are concentrating on the perceptions of the founders. The maps make sense in view of what they believe makes their business work, their motivations, the context, etc., informed by their internal 'logic' or theory in use (Argyris and Schon, 1974; Curran and Blackburn, 2001).

Here we aim to elicit and display this causal network. We accept that the approach cannot unambiguously demonstrate causality, but it can indicate whether in the eyes of the founders some components are perceived to be a contributor to Kappa's success.

### **The Intervention at Kappa**

The managing partners of a successful, profitable small management consultancy (Kappa) wanted to better understand the causes of their firm's success, to assess how they can grow the business and ascertain whether they need to take any specific measures ahead of their retirement.

Kappa is a UK management consultancy that was established in 1987, in London, by three partners, who are still the current managing partners. It is a small business and employs altogether some 50 people (Fillis and Wagner, 2005). It is profitable, has a turnover of under £4m and is growing.<sup>2</sup> Kappa's clients include both private firms

in business services, consumer products, automotive and financial services and public organizations in central government and in the training and learning sectors. Its work falls into the areas of strategy thinking, customer service, brand development and change management. Their focus is to conduct research to help their clients grow and succeed and their work straddles general business, human resources and marketing. The partners explain that their culture is about being able to think better and differently, to value energy, opportunism, application and commercial value and above all to believe that it is people who create success.

The three partners took part in the causal mapping session. They believed that the workshop could be useful as they believed that that much of Kappa's success was due to themselves as they had started and grown the firm. They felt that if one of them were to leave the company (or worst, if all of them were to leave) Kappa's success would in the long term be jeopardized. Moreover, because the three of them cannot take on more work, Kappa's growth is also limited because of this dependency on them 'doing the business'. Such an issue is typical in small firms (LeBrasseur et al., 2003) and to knowledge-intensive firms: 'developing and more importantly *sustaining* an expert workforce is ... possibly the most important strategic issue that confronts management within these firms' (Newell et al., 2002: 24). They have, up to now, operated very much as a group of three, without discussing with others in the company how they carry out their assignments.

They now think that Kappa's growth is dependent upon their ability to delegate and empower junior consultants by giving them the business development and client relationship building skills, which they possess. While some of this can be achieved through straightforward skills development, there is a lot which has more to do with their ways of doing things, and the various activities they are each involved in

with their clients, which have not been articulated and therefore cannot be shared and used to develop other people in the business. They were very aware that non-codified knowledge plays a critical role in their work and that 'the task of transferring knowledge is difficult' (Rerup, 2004: 147). This is where the mapping workshop came in.<sup>3</sup>

### **The mapping process**

Before starting mapping we briefed the partners, explaining the tenets of the resource-based view, the role of tacit knowledge in their work, as well as the mapping process. Finally, we explained that they would be asked to code the maps generated as they are the only ones that can assess whether what they did was previously tacit (Nonaka, 1991). Because, as stated earlier, that tacit knowledge is associated with know-how, to 'doing' in non-prescribed ways, we used the expression tacit activities in the workshop. In this respect, concentrating on what people do means we are pursuing an activity-based, strategy-as-practice agenda (Johnson et al., 2003; Whittington, 2003, 2004). The knowledge we want to elicit is embedded in ongoing practice (Dougherty, 2004). We wanted to examine situated, concrete activities (Whittington, 2003).

The coding categories we proposed were:

- A. The causes for success that were tacit to you up to the workshop (i.e. the activities they are involved in but never discussed up to the workshop)The causes for success you did not know about
- B. The causes for success you know about but did not realize mattered
- C. The causes for success you know about but that are left alone, because they are not well understood

D. Others? Please could you specify.

We also told the partners that the activities mapped that were well known to them should be left unmarked.

Classifying the success factors surfaced would help to reveal whether tacit knowledge could indeed be perceived by managers to be a component in their firm's success as argued by resource-based advocates. Moreover, if some success factors were classified as b, c or d it would emphasize that some critical activities, despite not being tacit, could present serious challenges for managers. For instance, activities that are not well understood in spite of being known to be valuable could be difficult to transfer or change, and activities, that are known, but their impact on success is not understood, could be destroyed because their value is not recognized, i.e. they display *linkage* ambiguity (King and Zeithaml, 2001).

Finally, we insisted that they should focus on what they were currently doing, even if it is perceived to be trivial or irrelevant, and not on what they believe they *should* be doing. We also emphasized that using examples, telling stories and using metaphors would be useful in the process. We stated that it was vital for them to be open-minded, and to feel free to express themselves as they wished.

The map was constructed by placing 'post-it' notes on large sheets of paper pinned to the wall. We wrote the success factors as they were introduced by the team and then placed them on the sheet of paper, marking the links between the factors according to their instructions. This means that in the mapping process, the facilitators' possible bias is minimized because their involvement is limited. The facilitator is there to trigger participants to talk and to record faithfully what the participants say, with the participants being able to constantly check what is being recorded. The facilitator acts as a catalyst.

Before starting the map in earnest the partners began by deciding which causes of success should be discussed first. The topic that captured everyone's attention was 'taking a brief'. As soon as 'taking a brief' was mentioned the mapping process started (the detailed maps are available on request. An extract for illustration can be found in Figure 2). The first point that emerged was that actually 'they do not take briefs'. They do not take briefs *passively*. In short they want to help the clients understand their fundamental problems. From there they redefine the brief, and develop a new brief. They want to make sure that the client states the real purpose of the brief. The following example of 'not taking a brief' was given. Kappa answered an initial brief that was about designing a brochure for a construction company. The brief was questioned and the client was pressed to discuss the issues further. The brief was consequently redefined, and became a project about building staff confidence in business development.

The discussion about success at Kappa centred around four interrelated topics: not taking the brief; engaging with the client; being confident; and, 'friendly commerciality' (i.e. how they keep and develop business contacts with people they like, whether they are likely to become clients or not).

### **Stories and metaphors**

During the mapping session several stories were told (e.g. the brief for the construction company we commented on earlier). The partners also explained how they worked with an executive car company on shaping their brief prior to the formal 'pitch' and, when they went to present, Kappa won the contract. This illustrated how, by engaging with their potential clients, Kappa 'wins before they present'.



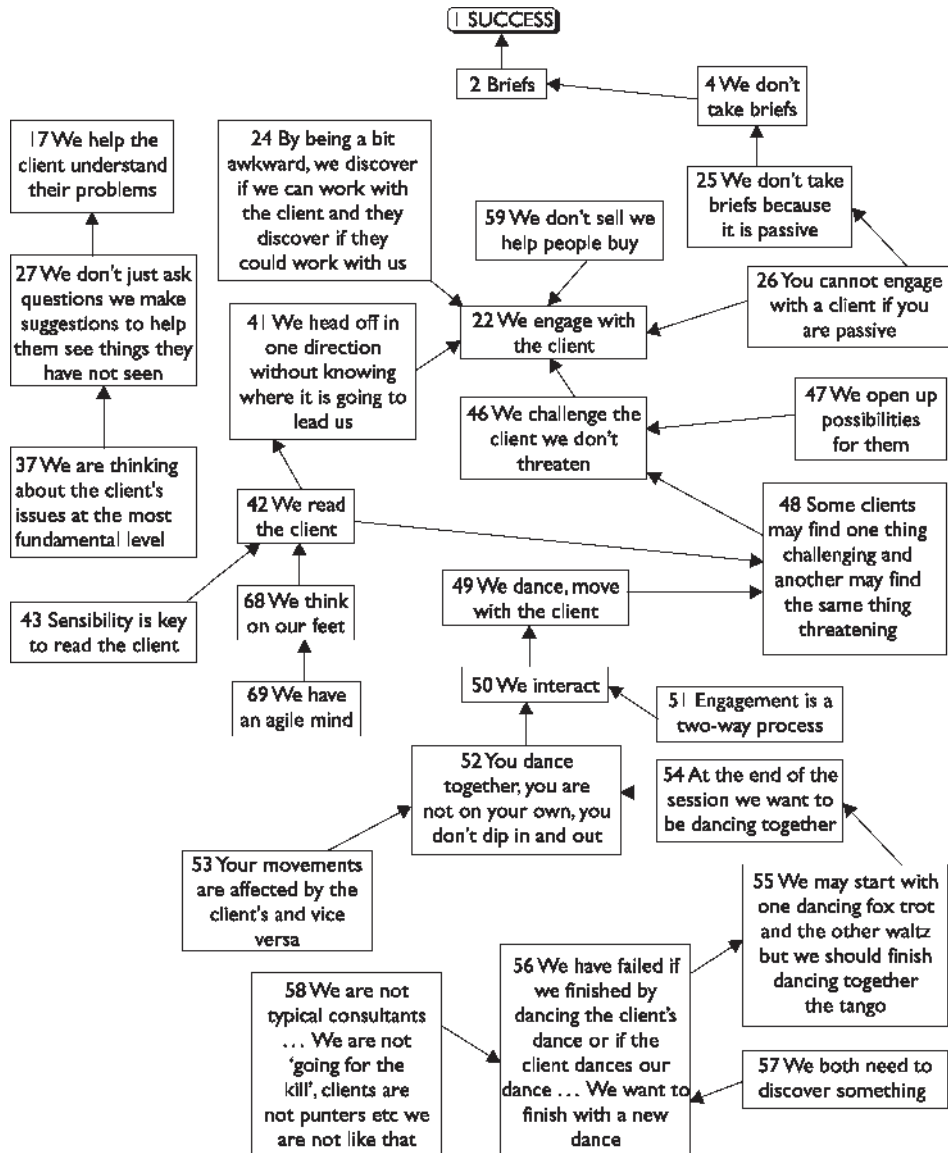


Figure 2. An extract of Kappa's map

Another story related to an interview with an 'awkward' professor that was conducted for a project by one of the partners. The partner explained that he decided to go into 'humble mode'. He considered that the professor was in the expert role. He let him speak and the professor talked for 25 minutes. The discussion was highly intellectual. By being humble, by playing the role of the 'kid wanting to learn', the

partner allowed the professor to tell him a story and he found out about the professor as a person. This illustrates how to engage with a person, how to let the client talk in order to find some ideas about how best to engage with them. While listening, the partners check whether their interlocutor has interesting things to say and whether he/she as an individual is interesting. They look for 'fault-lines' (anomalies, oddities) in the stories being told.

While mapping, the partners not only narrated stories, they also used metaphors. One was noticeably drawn on. The process of engaging with the client was likened to a dance. Dancing was used as a metaphor to explain how engaging with someone was a two-way, interactive process. This can be seen to be a good example of how metaphors can be used to express tacitness. It helps express a complex situation involving multiple, interrelated factors. This metaphor was also used to explain that engaging with the client was a continual process of discovery. The aim of engaging with the client is to create a new way, and not to adopt the client's way or to impose Kappa's ideas. A range of metaphors was developed during the maps that clearly reflect this two-way process. For instance: 'you dance together, you are not on your own, you don't dip in and out', 'your movements are affected by the client's and vice versa'; 'at the end of the session we want to be dancing together'; 'we may start with one dancing foxtrot and the other a waltz but we should finish dancing the tango together'; 'we have failed if we finished by dancing the client's dance or if the client dances our dance ... we want to finish with a new dance'.

Mapping success revealed the central role of 'engaging with clients'. The 'unpacking' of the engagement process led to the team revealing that all the success activities that were surfaced added up to 'friendly commerciality', which is the underlying philosophy behind Kappa's approach. Surfacing friendly commerciality led the team to reveal that

actually their business philosophy was their philosophy of life. The team emphasized that they had faith in people, they were optimistic, they believed in humour and in enjoying life.

## **Results and Analysis**

The partners (John, Jenny and Peter) then coded the maps individually and returned them coded. Most of the success factors that were uncovered during the mapping session are intangible. They were about people, interacting with people, getting to know people, perceiving what matters to them. The maps suggest that Kappa's success is to a very large extent based on the relationships the three directors can establish with their clients or potential clients. This is very much in line with the resource-based argument that competitive advantage is likely to derive from intangible resources and that as a consequence people are the key to success in organizations (Pfeffer, 1995). It is also in agreement with Alvesson (1993) and Ram (1999) who emphasize the intangibility of much of the management consultants' work.

## **Causes of success that were tacit up to the mapping session**

The partners did not all code the same causes of success in the same way. Perception of tacitness is personal (Polanyi, 1962). Two of the partners had been thinking a great deal prior to the session about what they do, as they have recently started to recognize that they are critical to the business, and should they go the business could decline. This means that a fair amount of discovery may have been done *before* the mapping session rather than *during*. This could suggest that some factors may have been tacit up to recently, up to the start of their interest in the issue. It is also important to point out that Jenny and John are married. One can assume that they talk about their work experience outside the office, and that they may have discussed with

each other details of what they do. They may well have rehearsed mentally these success routines during phases of introspection and as such coded the cause for success as not tacit. Their answers might have been different if the map had been built before they started their introspection.

Some examples of success activities coded as tacit include: 'we show the client why their brief may not work, then they tell us more'; 'we don't just ask questions, we make suggestions to help them see things they have not seen'; 'from the first question we know where to go next'; 'we have contacts with interesting people and people who find us interesting'.

When asking in the company about the personalities of the partners we learnt that John was in some respects the 'leader'. They are all on equal footing in terms of their position in the company, however, John has taken the issue of knowledge transfer the most to heart. He is worried about Kappa's future. He feels that the retirement of the partners could be a serious issue. John is also perceived as the most 'rational' and therefore he is more likely to have been, throughout his years as a consultant, examining what he does and to what purpose. It may be also difficult for him to admit a lack of control. These points may help explain the differences in coding. Also each partner has a different background: John began his career in industry and became a production manager in a steel mill before moving to consultancy, Jenny started in advertising and Peter worked as researcher in an academic and marketing environment. These differences may indicate that coding may probably be functionally biased (Walsh, 1988).

## **Causes of success that they did not realize mattered**

'We have failed if we finished by dancing the client's dance or if the client dances our dance' is an example of an activity that Peter and John perceived they knew but they had not realized had an impact on Kappa's performance. Similarly to the factors coded as tacit, these are about behaving in the right way, whatever the client, to clinch the contract.

There were few causes of success perceived as ignored or as not understood. This shows that the team is very well aware of what is happening in Kappa. This is hardly surprising. It is 'their' company. They founded it, it is small and they know it 'inside out'. They have also been very 'hands-on' in terms of their management style. They have, up to now, kept control of Kappa's development as it has grown organically and they know that success depends on them because 80% of Kappa's contracts come from them. They are also self-aware individuals, dedicating time to introspection, thinking about what they are doing and why. We also need to note that Jenny and John suggested another category: the extent to which what is known by the partners is shared across the company. We could surmise that they did so because of their concern about the dependency of the business on them.

## **Managerial benefits**

Tacit knowledge is argued to be of critical strategic importance because it is difficult to appropriate. It is because it is difficult to identify and then to acquire that it is proposed that diffusion across the firm is limited and the uniqueness of the organization is preserved. If we considered only Peter's results, who perceived that most aspects of their work are tacit, we could conclude that Kappa's source of success is unlikely to be at risk from competitors' imitation. We need, however, to consider the additional category, suggested by John and Jenny, about the

extent to which others know and understand what the partners are doing. This addresses concerns about how problematic the transfer of knowledge seems to be. If the theoretical argument is reversed, it can be suggested that difficult to communicate and to transfer activities are likely to be tacit. Following this route one can argue that the factors in this category have elements of tacitness.

The outcome in practical terms of the causes classified by Peter as tacit and by John and Jenny 'as not communicated to others' is certainly similar: these factors have not been expressed at least outside the partner team, and as such are unknown to or not understood by the other organizational members. This suggests that the benefit for managers of uncovering success factors may not be to ascertain what is tacit or not, as this may be addressing a more academic agenda, but to better understand how their organization works, to reflect on what they do and how they might manage and leverage these activities. The partners now have a list of factors critical to Kappa's success, and they have become aware that they have not communicated these to others. They now have a starting point to work from to reduce Kappa's dependency on them as individuals.

Practically, when examining the factors that have not been communicated so far across the organization, many relate to the partners' beliefs about how Kappa's business should be conducted: 'it would be soul destroying for us to do a job we would not be happy with'; 'we do not maintain contacts for "exploitative" purposes'; 'we can walk away from a business opportunity'; 'we do not chase money at all costs'. These values and behaviours are embodied in the partners. They are taken-for-granted. It is simply how they do business, a *modus operandi* they have built over the years, working and creating a business together. Such a way of conducting business could have only been known by others if they had spent time with the partners. Moreover, even if it is communicated across the organization that this

way of doing business is a source of success, it is unlikely to be thoroughly understood without organizational members interacting with the partners to internalize what such an attitude is about.

Another set of factors that were perceived not to have been expressed to others is related to knowing how to behave towards their clients or potential clients: 'we read the client'; 'we are not going for the kill'; 'clients are not punters, we are not like that'; 'we know that asking simple questions and being clear is key'; 'we allow the client to tell their story'; 'we don't take briefs because it is passive'; 'we challenge the brief not the client'.

Another set is about what they do that allows them to engage with the clients in special ways. For instance: 'we extrapolate from personal experience'; 'we draw things from books, films'; 'we find stories in the whole of our life'; 'inspiration and ideas do not come from our professional life only'. Therefore, in engaging with clients they make extensive use of analogies and metaphors from other fields.

Finally, we recognize that we only worked with the partners, and only mapped fractions of their activities that they perceive give them advantage and that through our intervention Kappa uncovered only some of its non-codified knowledge. We also want to mention one comment about the benefits of mapping success made by the partners. They were very pleased with the session because they have established a clearer understanding of what needs to be transferred throughout the company, and hence they can ensure that their resource stock does not get exhausted, one reason often cited to explain the demise of small firms (Thornhill and Amit, 2003). This is also important because the ability to grow in knowledge-intensive small firms, who cannot afford large recruitment programmes and constant training of new staff, depends a good deal on the sharing of knowledge throughout the firm (Swart and Kinnie, 2003). Being

able to understand this and manage it is critical to success so that staff 'are attracted to the organisation ... want to stay and ... are highly motivated to perform well' (Swart and Kinnie, 2003: 71). Small businesses rely heavily on specific individuals as their lack of size and financial power does not allow them to control their industries (Wiklund and Shepherd, 2003). Eliciting those success factors can be an advantage for any small firms as 'because they cannot hope to command economies of scale and scope in the same way as larger firms do, any benefits of codification will be the ability to retain and make explicit the skills needed' (Thorpe et al., 2005: 263). As pointed out by Levitas and Chi (2002) surfacing a unique resource does not equate to replicating it, especially when resources have a tacit element. If tacit know-how is passed on it is most likely to be picked up by 'osmosis' (Spender, 1996), and acquired through experience (Ravetz, 1971). For these reasons, the most likely way to acquire this know-how is through personal contact and discussions (Badaracco, 1991). In other words the partners should think of using a shadowing scheme for their junior consultants. With continuous day-to-day contact with them, through an apprentice-like relationship where the partners' activities are directly observed and practised those ways of doing things can be acquired (Sobol and Lei, 1994).

The partners also thought it helped them 'crystallize what was in their heads' and define what they are about. They had always struggled with this issue. They told us that the maps have broadened what they traditionally thought the areas of their business were and have started making them think of the implications this has for their knowledge requirements in their business. Thanks to the session they have been able to draw a picture of the business and as a result they have redefined what they are about. Up to now they were offering five 'products': brand development, strategy and policy development, change management, customer service and network performance



improvement. Now they are about 'customer R & D', the application of knowledge and tools to better develop customers, and they specify that they are working with, not for, clients. Our intervention helped them reach this outcome, but they changed their thinking through the mapping process themselves. This suggests that causal mapping can be a useful consultancy intervention technique.

Our research method of causal mapping has led us so far to provide essentially a descriptive qualitative analysis of Kappa's success factors and it seems has allowed us to demonstrate that tacit knowledge, on the basis of the findings presented here, could be perceived to be a component of a firm's success. In addition to surfacing and clarifying success factors the mapping process has created new knowledge and insights and the partners were able to develop a deeper understanding of their business. However, as highlighted by Curran and Blackburn (2001: 123) we are aware of the danger that 'qualitative research can frequently produce shallow results' and that we need to go beyond the descriptions and distance ourselves from the respondents' account to provide a more creative and insightful perspective on the results.

### **Discussion: A Critical Interpretation of the Maps**

As we saw, the maps revealed that Kappa's ways of doing things were not about 'chasing money at all costs', that they would not do a job that did not satisfy them. Such attitudes are characteristic of first, individuals who start up their business such as the Kappa partners, as they usually have a desire for self-actualization and achievement (Gray, 1998), they indeed usually have 'a strong need for self-fulfilment, creativity and opportunities for independent judgement' (Goffee and Scase, 1995: 24), and, second how professionals view their 'professional project' (Macdonald, 1995). Macdonald (1995) explains that professionals derive their income from their knowledge and pursue

economic interests but that they have at the same time other motives. Among them, he cites social status. We could not conclude that the partners' emphasis on friendly commerciality, on how important personal development, enjoying life and their work are, necessarily demonstrated a concern with social status and recognition (Goffee and Scase, 1995) in a conventional sense. However, it may be that these personal aims would resonate with a peer group that the partners would associate themselves with.

Friendly commerciality is also a way of developing their customer capital (Newell et al., 2002). Customer retention and growth in customer number is key to a profitable business and this combined with an enhanced reputation may explain why those factors are seen by the partners to be key to Kappa's success. Economic growth is not their focus as such but they achieve it through their focus on social practices, practices that are both relational and cultural and that are embedded within the partners and which over time allow the firm to develop a unique reputation and a perceived unique selling proposition (Bowman and Collier, 2006) as these practices are difficult to imitate. Social status and image can be vital for knowledge-intensive workers. As Alvesson (1990) explains having an image is some compensation for the ambiguity of some professionals' work. Image is also needed for marketing purposes, for attracting staff and also to reassure clients of the worth of their work.

Interestingly, in constructing the maps there was little mention of the employees of Kappa. It is well documented that knowledge-intensive businesses rely on the knowledge and skills of their employees and on their relationships (Swart and Kinnie, 2003) and that one cannot 'conceive the entrepreneur as an atomistic and isolated agent of change' and hence we should not 'ignore the milieu that supports, drives, produces and receives the entrepreneurial process' (Drakopoulou Dodd and Anderson, 2007: 341). There is little reason

to suppose that this should not be the case at Kappa. Attribution theory may provide an explanation for this. This theory 'is based on the assumptions that individuals have an inherent need to explain events that surround them' (McElroy, 1982: 413). There are two types of attributions: situational (external) attributions that confer causality to external factors, and internal attributions that confer causality within the individual (Snyder et al., 1976); and it is usually suggested that individuals will attribute positive results to themselves as 'causes' while attributing unsuccessful ones to external sources (McCabe and Dutton, 1993). This can lead to self-serving bias, which occurs when individuals attribute success to themselves and present themselves in a positive light (Kelley and Michela, 1980). Miller and Ross (1975) explain that there is a tendency for self-serving bias to occur when people operate in an ambiguous and uncertain environment. Self-serving bias also can also be systematic, i.e. some people just systematically believe that in some fields they are better than others. They are likely to do so due to their self-esteem (Bradley, 1978), or to project favourable self-images to others (Bateman and Schwenk, 1986; Staw et al., 1983).

Wagner and Gooding (1997) also commented that managerial research on attribution shows that 'managers see their organisations as causal extensions of themselves' (Wagner and Gooding, 1997: 277). We can argue that all these phenomena are likely to be in play at Kappa. In our context of a small business founded by the partners, it is maybe unsurprising to find that the partners attribute the success of their business to themselves, as the business is 'part of them'. The small business environment is typically uncertain (Atherton, 2003) and for Kappa this uncertainty and ambiguity is compounded due to the nature of the consulting work they engage in (Alvesson, 2001; Swart and Kinnie, 2003). Thus, due to the ambiguity of the environment in which they operate, and as the causality

between action and results is unclear, the partners' contention that their roles are critical may seem legitimate since it is difficult to disprove (Blyler and Coff, 2003).

Along with self-serving bias we may be witnessing the 'actor-observer effect'. This attribution phenomenon explains that while people tend to attribute their success to personal causes, they attribute the success of others to external, situational factors. Doing so allows the actors making the comparison to boost their self-esteem and their sense of control (Wagner and Gooding, 1997). This effect could also explain why the partners may overestimate their role and underestimate their staff's contributions (Dimma, 1985) and why they see themselves as being different, as offering a unique service. One of the dangers of this overconfidence in the self and the underestimation of others is that it can lead to inaction and complacency (Wagner and Gooding, 1997). In Kappa this is possibly reflected in their lack of efforts so far towards promoting juniors to partner level or to simply trust staff to be as 'good' as they are themselves. They may have overestimated their own competencies, and how difficult their expertise is to acquire (Powell et al., 2006). A possible danger then is that if the partners have indeed developed biased perceptions of their roles, the success factors that have been elicited and that they plan to work on so that they can be acquired by the junior consultants may not be as critical as the maps may indicate.

Self-serving bias and actor-observer effect can arguably be seen in other parts of the maps, for instance on how the brief is taken and how they deal with client or where the partners highlight their skills in negotiating and bargaining. More generally, this bias can be seen throughout the maps as, as noted earlier, the rest of the organization is not mentioned and we accepted the partners' responses at face value. We could then be perceived as perpetuating the myth that entrepreneurship is an individualist endeavour (Drakopoulou Dodd and

Anderson, 2007). This could be seen as a limitation of the mapping. In many ways this is correct because our aim, as stated in the introduction, was to examine whether tacit knowledge could be elicited using causal mapping. This means that we were primarily interested in the *process* of elicitation and only secondarily in the content of what was elicited. Our purpose was to assist the partners and not to establish, were it possible to do so, the 'truth' or to derive an accurate analysis of the causes of success. It is however important to stress that the partners engaged in the mapping process for their own benefit and it was their desire to do so. They had little to gain in deliberately 'lying', which does not mean that their answers are necessarily 'true' but simply that they are most likely to reflect their operating logic (Curran and Blackburn, 2001). In other words because the partners are human beings, we take as a given that there is bounded rationality, that their history, their expectations, their awareness of their environment will have an impact on their actions and the way they manage and view their firm (Curran and Blackburn, 2001; Moliterno and Wiersema, 2007). Hence, although they may have gained some enhancement to their self-esteem through eliciting success factors that reflected their special contributions, in our opinion they did not devote the considerable amount of time and effort that they did so that they would feel better about themselves. This implies that the maps are most likely to be a reflection of the partners' perceptions and consequently the factors elicited will be the basis for formulating future development strategies for Kappa. What managers perceive to be the causes of firm success will impact on their behaviour (Ford, 1985). Put another way, their answers, however biased they might seem to outsiders, and whether or not they seem to ignore their social milieu, are important here; their perceptions (rather than 'the truth') will influence their actions and the emergent organizational strategy (Easterby-Smith et al., 2000).

The mapping process has also revealed an almost paradoxical problem for the partners. They love their work, and to a great extent the consulting activities they engage in define them. However, their expressed concern to spread their expertise and to reduce the dependence of the firm on themselves, if enacted, would fundamentally change their roles and possibly their feelings of self-esteem. Growing may require them to deal more with managerial and administration issues and as a corollary they would find themselves having less opportunity to do the job they enjoy (Goffee and Scase, 1995). It could be a reason why growth has remained a concern but has not been acted upon or even reflected upon until recently. Another reason could be that, while in common with many other owners, the partners 'display an exceptional commitment to independence and autonomy' (Curran and Blackburn, 2001: 45), retirement and age have become salient issues and their concern for their business, the 'extensions of themselves' (Wagner and Gooding, 1997) has led them to envisage the future and has provoked their interest in how the business would survive them.

It is possible that the tendency to self-attribution may also be operating as an implicit defence mechanism, enabling the partners to construct plausible explanations of their unwillingness to 'let go' and to delegate. If they believe that the firm is entirely dependent on them performing as lead consultants, they therefore have to devote their time to these activities. Moreover, we must also recognize that although the codification and subsequent sharing of their tacit know-how with junior consultants would probably expand the value created by the firm as a whole, this process may make the individual partners less valuable. And once their special expertise is embedded in others there is a risk that staff may leave the firm and take their expertise and clients elsewhere.

## **Causal Mapping as a Management Consultancy Intervention Tool**

'Management consultants and the assistance they offer senior managers are now a common feature of organizational life' (Pellegrinelli, 2002: 343), and the interest in how they operate has dramatically increased in the last 10 years or so (for instance, see Clark and Fincham, 2001; Fincham, 1999; Nees and Greiner, 1985). We do not want here to review exhaustively what the role of the consultant is. We want, however, to reflect on some of the practices employed and emphasize how consultants intervening with causal mapping may interact with their clients.

What management consultants do is varied, but it minimally involves a client who believes help is needed, and the consultant who assists by providing it (Bennett and Smith, 2004). They 'are engaged by organizational clients to provide expertise and assistance on matters of content (for example from job redesign to strategic planning) and/or matters of process (for instance change facilitation)' (Lundberg and Young, 2001: 535). There are several models of consulting intervention. Of course, the nature of the consultant-client relationship is to a large extent determined by the task involved, but broadly speaking there are two main traditions:<sup>4</sup> the rational or traditional view, and the organization development or process view.

The traditional models consider consultants' interventions to be based on their expertise (Baitsch and Heideloff, 1997). Here the consultant-client relationship is treated as an economic transaction; the client buys a service that the consultant provides. The process view is less concerned about content than about the process, the relationship between clients and consultants (Schein, 1987). Clients and consultants work together. Rather than the traditional model of supplier-purchaser of consultancy, we have here a facilitation-peer model. The clients are involved in the intervention, they own the problem they want

to solve but the consultant is still the expert and is detached from the client's organizational life (Fincham, 1999).

This can arguably be seen as the main weakness of the process style of intervention. Consultants are usually strangers to organizational routines, the organization's usual ways of operating. To become effective the consultant needs to understand what is happening, otherwise the commitment to the outcome can be low from the 'insiders'. Moreover the managers will not 'own' the outcome, which may have emerged from an analytical process that, because of the relatively objective stance of the consultant, has produced a sound strategic direction for the business. However, it remains essentially the consultant's process and outcome, there is no emotional attachment to the strategy, no ownership (Bowman, 1995).

Causal mapping is an intervention tool that limits the issues of non-ownership of the solution or the consulting process. As the participants are consistently involved, they 'validate' the process along the way. They experience the process throughout. It fosters the clients' capacity to reflect on themselves, to challenge their perceptions. It helps to implement change, although this change does not come from the consultants but from the clients. While mapping, the clients determine the route they are taking; they determine both the process and the content because the process of mapping introduces few constraints. This is a critical point and is linked to the fact that the facilitator acts as a catalyst and is not directly involved in determining the content of the map; the 'feedback' that the participants received is their own, the lessons are of their own making not of the facilitator. This reflection process can be argued to be critical to small business owners: 'for small firms, inertia is largely associated with owners' perceptions. Based on their experiences, owners attempt to use the same knowledge to solve the same problems they encounter' (Yu, 2001). This ownership of the process is particularly important in the



small business context as small business owners' belief in their own business causes them to be wary or even suspicious of any advice, notably coming from consultants, no matter how well-intentioned this might be (Dalley and Hamilton, 2000). It is also important to note that while the causes of success may seem rather banal to outsiders, what matters is whether the process provides insight to the partners or entrepreneurs. It is worth adding that because they found the mapping beneficial they have decided to embark on a series of causal mapping sessions throughout Kappa.

While our work was unpaid and carried out for academic purposes it was similar to a consultancy intervention. The case we have exposed in this article showed that it is possible to intervene and facilitate the surfacing of valuable knowledge. Figure 3 summarizes this contribution. Reading from the left of the figure tacit activities, along with many other activities and resources, generate firm success, and because of the tacit nature of these activities they also generate causal ambiguity (Lippman and Rumelt, 1982). The link between activities and results is unclear.

Causal ambiguity in turn may render the tacit activities vulnerable to mis-management, which would then impact negatively on future success. Conversely, causal ambiguity can act as an isolating mechanism, which should help prevent rival firms from replicating these valuable activities. This then would have the effect of sustaining success, *ceteris paribus*. However, in the same way that causal ambiguity prevents external replication, it can also hinder the *internal* replication of successful activities. This may well not be an issue for success in the short term so long as those who perform the valuable activities stay with the firm. However, as is the case with Kappa and any small businesses relying on only a few key individuals and processes, future success may be jeopardized as and when key performers exit the firm. The difficulties of replicating valuable activities would also hinder firm

expansion, which would again constrain future success.

The mapping intervention reduced causal ambiguity. From the model this would have the effect of reducing the vulnerability of these activities to inappropriate management action. It should also increase the opportunities for internal replication, but at the same time we might expect that as these previously tacit activities are now better understood, this know-how may well exit the firm and enter a competitor. This is a particular issue once the successful activities have been trained in to more junior consultants. Similarly, there is a confidentiality issue for consultants facilitating these mapping processes. They inevitably will pick up insights that may be valuable to competitor firms.

A question that we may want to raise is whether Kappa's partners could have conducted the mapping session themselves? With discipline we can certainly suggest that it is possible. One of the obstacles of doing the mapping without any external help would be remaining focused on eliciting causes of success, as there is usually a tendency to delve into what is not working in the organization and what should be

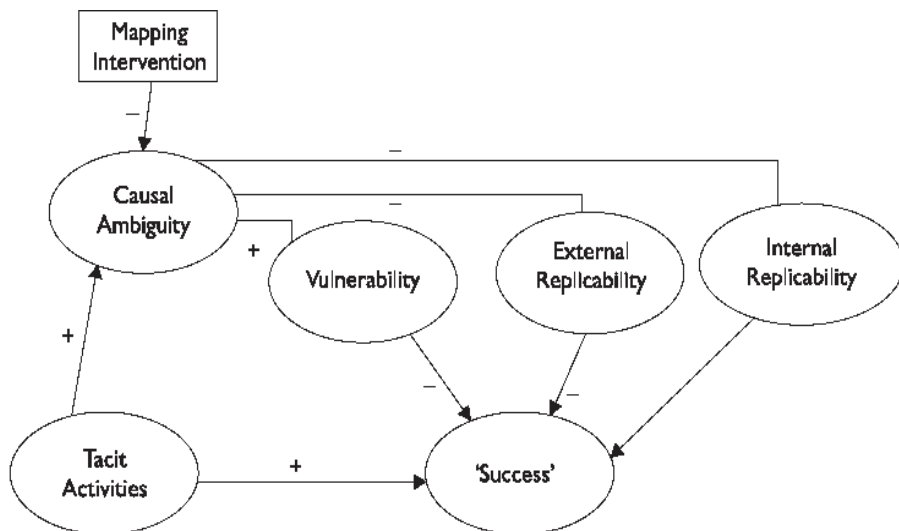


Figure 3. The impact of the mapping process on causal ambiguity

done to remedy that. Another possible problem is participants may tend to 'reach a wall' quickly and not be able to probe deeply into their ways of doing things. Without a facilitator asking questions, notably probing for activities that managers may find trivial, asking for explanations or examples, it may be very difficult indeed for managers to express what they largely take for granted. The facilitator acts as a catalyst, a stimuli provider that triggers memory. This would suggest that the naivety of the consultant may be crucial in surfacing those activities and practices that are 'taken-for-granted' and that it is important for the facilitator to concentrate on the process rather than be critical of the content during mapping, as any perceived criticism may result in the participants withdrawing from the thinking and challenging involved in the elicitation process.

## **Conclusion**

The purpose of the mapping for Kappa was to identify some of their sources of success, so that these causes of success may be more proactively and deliberately managed, and nurtured. Once surfaced, causes of success could potentially then be spread more widely through the firm. This could facilitate growth, as the critical client engagement expertise possessed by the partners could be acquired by more junior consultants. Even if in view of our discussion on self-serving bias those perceptions are not accurate the partners now have a basis to think about the future development of Kappa. By uncovering these factors they have at least an insight into what could be developed or transferred. This surfacing of valuable processes and behaviours could also help ensure the sustainability of their business upon their departure. This article has hence contributed to our understanding of surfacing tacit knowledge as well as of the consulting process. Kappa benefited from the engagement, which shows how causal mapping can be a useful intervention tool for capturing knowledge. Group causal mapping is a practical and powerful way of eliciting success

factors. By continually asking participants to reflect on what they are doing, participants are able to uncover aspects of their activities that had not been recognized before and that usually consultants would not have been able to surface because they are strangers to the detailed operations of the firms they are intervening in. This method can therefore be argued to be a first step for small businesses in their understanding about how they can grow. This can be seen to be particularly useful as how small business can grow is a complex, elusive and multifaceted (Morrison et al., 2003). Causal mapping, being an interactive process is not restricted to surfacing existing knowledge. We have seen how the process of discussion and active reflection that Kappa's partners engaged in was a creative process as well as a discovery process.

## **Acknowledgement**

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## **Notes**

1. The purpose of this article is not to carry out an exhaustive review of the knowledge literature. There are a wide range of publications on the topic e.g. Grant (1996), Nonaka and Takeuchi (1995), Spender (1994), Tsoukas (1996) or specifically within the small business field, see for instance Chell (2001); De Clerq and Arenius (2006), Swart and Kinnie (2003), Thorpe et al. (2005).
2. As explained by Curran and Blackburn (2001), or as can be seen on the DTI website: <http://www.sbs.gov.uk>, there are many definitions of what constitutes a small business or a small and medium-sized enterprise, and it is difficult to be precise due to the diversity of small businesses. One can note though as seen on this

site that the companies act of 1985 states that a company is 'small' if it satisfies at least two of the following criteria: a turnover of not more than £5.6m; a balance sheet total of not more than £2.8m; not more than 50 employees. Kappa matches these criteria. One could add that the use of the DTI's definition is in line with many SME studies published in *ISBJ* (e.g. Gabrielsson, 2007; Ghobadian and O'Regan, 2006; Houghton and Winklhofer, 2004). Kappa also fits the description of the key characteristics of a small used by the Bolton Committee 1971 report on small firms that explained that a small firm is an independent business managed by its owner or part-owners and having a small market share. While we do not know exactly Kappa's share we are aware that it is very small in comparison to the large consultancy firms, e.g. Accenture or Cap Gemini, and because of the large number of firms in the sector the market is very fragmented and the market shares are small. Kappa is a boutique organization operating in a niche market (focusing on research to develop solutions) and they know that in their own words 'this is not everyone's cup of tea'. It is worth adding that the founders also perceive their business as being small as is noted later on; Kappa is very dependent on the three founders with respect to revenue generation.

3. As far as choosing the group of participants we followed Easterby-Smith et al. (2000) and took the pragmatic position that in view of the critical role of the founders of Kappa, as far as influencing the organizational strategy it would be acceptable to concentrate on their knowledge. This, however, does not mean that tacit knowledge is not present throughout the rest of the organization and that Kappa does not rely on it for its success, especially as the success of an organization is based on a complex pattern of interlinked, context-specific activities, and it is difficult to isolate specific elements as the sole source of success (Dierickx and Cool, 1989). In

the same vein it also means that we acknowledge, as argued by Drakopoulou Dodd and Anderson (2007) that entrepreneurs do not operate as atomistic individuals but are embedded in the milieu they work in. It is clear that only fractions of what cause success in organizations can practically be mapped.

4. There are other perspectives of the role of consultants, such consultants are systems of persuasion (Alvesson, 1993), they are fashion setters (Abrahamson, 1996), they are manipulators and creators of image (Clark, 1995), but such perspectives are beyond the scope of this study.

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